

OSTER
Researching Services

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RECORDATION NO. 20839 FILED

AUG 28 '97

1-15PM

August 28, 1997

Mr. Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recording with the Surface Transportation Board is a Bill of Sale dated 8/26/97 between the following parties and railroad equipment:

Seller: National Railway Equipment Company
Post Office Box 2270
Dixmoor, IL 60426

Buyer: U.S. Bancorp Leasing & Financial
825 N.E. Multnomah
Portland, OR 97232

The equipment included in this transactions is as follows:

Equipment: 1, GP-40QES Locomotive
DRGW 3502 aka DME 4006

Please record this document as a primary agreement. The filing fee of \$24 is enclosed. Thank you for your assistance.

Sincerely,

Mary Ann Oster

Mary Ann Oster
Research Consultant

Enclosure

Aug 28 1 15 PM '97
RECEIVED
SURFACE TRANSPORTATION
BOARD

AUG 28 '97

1-15PM

BILL OF SALE

THIS BILL OF SALE ("Bill of Sale") is made this 26th day of August, 1997 by National Railway Equipment Company, ("Seller") in favor of US Bancorp Leasing ("Buyer").

R E C I T A L S

For the sum of Ten Dollars and other valuable consideration, the receipt and sufficiency of which is acknowledged by Seller, Seller desires to give this Bill of Sale for the purpose of effecting the purchase, sale, and transfer of title to the GP-40QES locomotive described on Exhibit 1, attached hereto and incorporated herein by reference (herein the "the Locomotive").

SELLER AGREES AS FOLLOWS:

1. Sale of Equipment. Seller does hereby sell, convey, assign and transfer to Buyer its affiliates, successors and assigns the Locomotive. Seller hereby sells, assigns and transfers to Buyer any and all rights and benefits as Seller may now or hereafter have in respect to the Locomotive.

2. Warranty of Ownership. Seller does hereby covenant and warrant that it is the lawful owner of the Locomotive and has good, indefeasible, valid and marketable title in and to the Locomotive free and clear of all claims, liens, encumbrances, security interests and rights of third parties of any nature whatsoever arising by or through Seller and Seller has the right to sell the same.

3. Indemnity. Seller will warrant and defend title to the Locomotive against all and every person and persons whomsoever claiming or laying claim to the same by or through Seller.

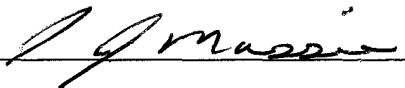
Seller hereby agrees to indemnify Buyer and hold it harmless from and against any and all loss, cost, damage or expense (including reasonable attorneys fees) it may suffer as a result of any claims, demands, suits, actions, causes of action, recoveries or judgments arising out of any claim of title to the Locomotive or any lien thereon.

4. No Rights in Third Party. Nothing expressed or implied in this Bill of Sale is intended to confer upon any person other than parties hereto and their respective successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this Bill of Sale.

5. Successors and Assigns. This Bill of Sale shall be binding upon and inure to the benefit of Seller and Buyer and their respective successors and assigns.

IN WITNESS WHEREOF, Seller has caused this Bill of Sale to be executed by its officer thereunto duly authorized on the day and year first above written.

National Railway Equipment Company

By: 

Title: Assistant Secretary

Exhibit 1

GP-40QES locomotive described as follows:

Original Manufacturer: Electro Motive Division of General General Motors

Original Road #: DRGW 3502

New Road #: DME 4006

Frame Serial Number: 7842-2